

DO NOT WRITE ON.

Health Care on Minimum Wage Worksheet

Earnings	Rate	Hours	This Pay Period	Year To Date
Regular	\$5.85	80	\$468	
	Gross Pay		\$468	\$11,232
Deductions				
	Federal Income Tax	\$40.20		
	Social Security Tax	\$29.02		
	Medicare Tax	\$6.79		
	State Income Tax	\$4.02		
	Health Insurance	\$26.54		
Net Pay			\$361.43	\$8,674.32

Example: Mary's Bi-Weekly Minimum Wage Paycheck in Arizona

Mary's Story:

Mary is a high school graduate who decided to take a few years to work before entering college. She is no longer eligible for her parent's insurance and has signed up for her company's PPO health insurance plan. She pays \$637 per year for her insurance premium, and has a \$400 yearly deductible. After she meets the deductible, her insurance will cover 80% of any treatment, while she will be responsible for 20% of the treatment. Her doctor visit co-pay is \$15, her emergency room co-pay is \$75, and her hospital co-pay is \$100 for pre-approved admissions. Her co-pays for prescription medications are \$11 for generic drugs and \$24 for preferred drugs. Mary does not get paid time off work. Mary has two roommates, and her share of the rent and utilities comes to \$300 per month. Because she owns a used car, she has no monthly car payment, but she does pay \$80 per month for car insurance and an average of \$120 per month for gas, bringing her average monthly expenses to \$500.

Discussion Questions:

1. How much money does Mary have left over each month to spend on food and other needs or wants? How much money does Mary have left over to put in a savings account?
2. How might Mary's financial situation impact her healthy or unhealthy behaviors? (i.e. type of food she buys, how often she exercises, stress levels, etc.)

3. What percentage of Mary's income does she spend on health insurance?

4. How might Mary's financial situation impact her decision to go to the doctor when she is ill?

5. Mary gets pneumonia and decides to go to the doctor for treatment. The doctor prescribes a preferred medication. Mary misses three days of work. How much does this illness cost Mary?

6. A few months later, Mary is sick again but decides that she cannot afford to go to the doctor this time. Unfortunately, her condition worsens. She is hospitalized for two days and misses eight days of work. Her hospital stay, including medications, costs \$2,500. How much does this hospital visit cost Mary (including deductible, co-pay, her 20% share of the cost, and missed work days)?

7. What can Mary do, within her financial constraints, to promote her health and prevent illness?

8. Mary's company also pays a percentage of health care premiums, which continue to rise. What types of things could Mary's company do to promote healthy behaviors in their employees and prevent illness?

9. What could the community, state, or national government do to help workers like Mary? How could the community, state, or national government help Mary's company promote healthy behaviors?

10. Why might people in Mary's situation choose to be uninsured?

11. Why might people in Mary's situation be considered underinsured?